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No. 38

HEALTH AND MUNICIPAL ADMINISTRATION SECRETARIAT.

NOTIFICATION.

Bangalore, dated 5th February 1971.

G. S. R. 41.—The following draft of the Bangalore Water Supply and Sewerage Board Rules, 1971, which the Government of Mysore proposes to make in exercise of the powers conferred by Section 87 of the Bangalore Water Supply and Sewerage Act, 1964 (Mysore Act 36 of 1964) is hereby published as required by sub-section 2 (e) of Section 87 of the said Act for the information of persons likely to be affected thereby and notice is hereby given that the said draft will be taken into consideration on or before 12th February 1971.

Any objection or suggestion which may be received from any person with respect to the said draft by the State Government, before the date specified above will be considered by the Government. Objections or suggestions may be addressed to the Secretary to Government, Health and Municipal Administration Department, Bangalore-1.

DRAFT RULES

In exercise of the powers conferred by sub-section 2 (e) of Section 87 of the Bangalore Water Supply and Sewerage Act, 1964 (Mysore Act 36 of 1964) the Government of Mysore hereby makes the following Rules, namely :—

1. **Title and commencement.**—(1) These rules may be called the Bangalore Water Supply and Sewerage Board (Borrowing sums by issue of Debentures) Rules, 1971.

(2) They shall come into force at once.

2. **Definitions.**—In these rules unless the context otherwise requires :—

(*a*) "Act" means the Bangalore Water Supply Sewerage Board Act, 1964.

(*b*) "Board" means the Bangalore Water Supply and Sewerage Board.

(*c*) "Debentures" means a security document issued by the Board for the borrowed money.

3. **Borrowing of sums by the Board.**—(1) The Board may with the previous sanction of the State Government borrow moneys by issuing debentures for the purposes of the Act.

(2) The total amount of debentures to be issued, issue price, form of debenture and the date of maturity shall be determined by the Board from time to time with the prior approval of Government.

(3) The rate of interest shall be such as may be fixed from time to time by the State Government.

(4) Debentures shall be guaranteed by the State Government as to the repayment of principal and payment of interest.

(5) A sinking fund shall be constituted for redemption of the debentures. The amount of the sinking fund shall be invested in deposits in commercial Banks.

(6) These debentures are negotiable by endorsement and delivery.

4. Reservation of Debentures .—(1) The Board may, with the sanction of the State Government, reserve the debenture bonds for issuing to any particular Bank or Institution.

(2) Brokerage at such rate as may be fixed by the Board from time to time in consultation with Government shall be paid to Banks, Brokers and authorised agents on their application and also on applications through them, bearing their seal, provided the total subscription received from them is not less than such sum as may be determined by the Board.

(3) Under writing commission at such rates as may be determined by the Board shall be paid to Bankers and Brokers who invest a sum of not less than the minimum amount that may be fixed by the Corporation.

5. Application .—Applications for the issue of debentures shall be made to the Board in the form appended to these rules.

6. Subscriptions .—(1) Subscriptions to the debentures may be made by cheques or demand drafts drawn in favour of the Chairman, The Bangalore Water Supply and Sewerage Board. In respect of cheques drawn on Banks other than those at Bangalore City, commission and collection charges as may be fixed by the Board shall be paid. The debentures shall be issued only after the subscriptions are fully realised.

(2) If the subscriptions exceed the total amount of the debentures to be issued, partial allotment may be made and the balance of the sum paid at the time of application shall be refunded as soon as possible. No interest shall be

paid on the amounts so refunded. The Board, may, reserve the right to retain the subscriptions received upto ten per cent in excess of the sum floated.

7. **Value of Debentures**.—The debentures shall be issued in denominations of Rs. 100, Rs. 500, Rs. 1,000 Rs. 5,000, Rs. 10,000, Rs. 25,000, Rs. 50,000 and Rs. 1,00,000.

8. **Conditions subject to which debentures may be issued**.—(1) The interest on the debentures shall be paid half yearly. The interest is subject to the payment of income-tax.

(2) The debentures shall be redeemable at par on the dates noted therein and the holder shall have no claim upon the Board for the interest accruing after the expiry of them.

(3) Debentures which by reason of damage substained have become unfit in circulation, shall be replaced at the request of the holder on surrendering the damaged or defaced debentures, provided that the essential marks for genuineness and identity such as the number, the amount, the rate of interest, the date and signature of the Chairman and the Assistant Controller of the Corporation are still recognisable. Fresh debenture shall also be issued to replace lost or destroyed debentures when in the opinion of the Board, the fact of destruction is proved beyond doubt. When such proof is not produced or when in case of damage the essential marks on the debentures are lost and no longer recognisable, or when the debenture has been lost or has been mislaid, a new debenture may be issued only after the debenture which is alleged to be missing or unrecognisable; has been advertised by the claimant and in the manner specified by the Board and is not claimed by any other person.

4. The re-issue of a debenture shall be made for the same amount under the same number with the addition of the word ' Renewed '. A fee of Re. 1 shall be charged for every renewal debenture thus issued.

FORM OF APPLICATION

(*See* Rule 5)

The Bangalore Water Supply and Sewerage Board.

Application for Debentures.

Per cent Year 19 19

To

The Chairman,
Bangalore Water Supply and Sewerage Board,
BANGALORE

Dear Sir,

Issue of 19 19 years Debentures
Interest at per cent issue price
Rs.

I/We hereby apply for debentures of the face value for the denominations noted below may kindly be issued for the amount.

Denominations	No. of Bonds	Amount
Rs. 100		
Rs. 500		
Rs. 1,000		
Rs. 5,000		
Rs. 10,000		
Rs. 25,000		
Rs. 50,000		
Rs. 1,00,000		

I/We send herewith/have paid a deposit of Rs..... (Rupees.....) through.....for the debentures applied for.

I/We undertake to accept the same or debentures for any lesser amount. The interest may be payable at :

1.

2.

3. At the Bangalore Water Supply and Sewerage Board, Bangalore (by presenting the bonds on due dates.)

Note : Strike the portions not required.

Name/Names in full Block Letters :

Address in full :

Yours faithfully,

Signature,

Note : 1. The names in which the bonds are required should be mentioned in Block letters. If the bonds are to be held in joint names the order in which the names are to be written should be given. In the case of any institutions the bonds will be issued in the name of the institution itself.

2. Specific mention should be made of the Bank or Office and this place where the interest on debentures is to be drawn.

[No. HMA 22 (i) MNY 71.]

By Order and in the name of the Governor of Mysore,

G. SIDDANJAIAH,

Under Secretary to Government,
Health and Municipal Admn. Department.

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